

JUL - 7 2005

The Honorable Frank H. Murkowski Governor of Alaska State Capitol Post Office Box 110001 Iuneau, Alaska 99811-0001

## Dear Governor Murkowski:

It is with pleasure that I respond to the State of Alaska's requests for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted five requests for waivers. The requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appear to meet the standard for approval at 20 CFR 661.420(e). The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Extension of the waiver to use Individual Training Accounts (ITAs) for youth participants.

The state indicates that an extension would allow continued flexibility in using youth funds to provide training services to youth while retaining limited adult funds to be used on adult training services. Accordingly, the state is granted an extension of the waiver of the prohibition on the use of ITAs for older and out-of-school youth at 20 CFR 664.510, through June 30, 2007. The state should ensure that funds used for ITAs are tracked and reflected in the individual service strategies for these youth.

Requested Waiver 2: Extension of the waiver to increase transfer authority of Local Workforce Investment Boards from the current 20 percent to 100 percent for Adult and Dislocated Worker funds.

This waiver request for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act—the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. Accordingly, the State of Alaska is granted a waiver of the funds transfer limitation at WIA Section 133(b)(4), through

June 30, 2007. The waiver allows the state to approve local area requests to transfer up to 100 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

Requested Waiver 3: Extension of the waiver to permit WIA participants who enter seasonal employment occupations to be counted in an alternative format for Core Performance Measures.

The state's request cites a continuing need for this waiver. Accordingly, the state is granted an extension of this waiver, through June 30, 2007. The terms and conditions of the original approval, dated July 18, 2003, continue to apply.

Requested Waiver 4: Extension of the waiver to permit the state to apply 20 CFR 661.300(f) to the designated statewide region.

The state is granted an extension of the waiver through June 30, 2007. This waiver allows the state to continue to operate as a single local workforce investment area to use the state workforce investment board to carry out the requirements of the local workforce investment board.

Requested Waiver 5: Extension of the waiver of the requirements relating to local performance under WIA Section 136(c) and 20 CFR 666.300 and 666.310.

This request is related to the state's approved waiver above. According to the state, the change in accountability ensures timely response to changes in performance as demonstrated by the improved performance of the older youth programs. Accordingly, the state is granted an extension of this waiver, through June 30, 2007.

As provided for under paragraph 3 of the executed Agreement, the approved waivers are incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the state's WIA Grant Agreement and the state's Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

Exhily Śtover DeRocco

Enclosure